

**LICENSES AND CONSUMER SERVICES
LICENSE INSPECTOR'S REPORT**

License Number: L206-50229 **Police File Number:** F.13424

Date of Application: August 6, 2013

Inspector: Nicole Anderson

Applicant/Legal Entity: Haiku Japanese Bistro II, Inc.

DBA/Trade Name: Haiku Japanese Bistro

Complete Address: 620 Washington Ave SE, Minneapolis, MN 55414

Licenses Requested: On-Sale Liquor w/ Sunday Sales, Class E, and 2 AM

Current License: None

Responsible person within 75 miles of Minneapolis City Hall: Jonathan Li

Public Hearing Requirement: Required

Neighborhood/Ward: University of Minnesota Neighborhood/02

License Conditions: None

Zoning: C3A/MR/PO/UA – This is a permitted use in the Community Activity Center District/Mississippi River Critical Area Overlay/Pedestrian Oriented Overlay District/University Area Overlay District.

7 acre requirement: Met

Off-Street Parking: The Office of the Zoning Administrator has determined that zero spaces are required to be provided on site.

Churches or schools within 300 feet of the proposed premises: No

Seating: Inside: 100 Seats Outside: N/A

Fire Occupancy: Inside: 132 Maximum Capacity Outside: N/A

Food Service Requirement: The applicant is within 500 feet of a residentially zoned district and is required to operate as a restaurant subject to the 60/40 ratio of food to alcohol sales. No more than 40% of gross annual sales may be from alcohol.

Hours of operation proposed: Inside: 11:00am to 1:00am Sunday –Wednesday
11:00am to 2:00am Thursday-Saturday

Outside: N/A

Metropolitan Council Service Availability Charges: Fourteen (14) SAC charges. The SAC charges were paid on March 29, 2013.

HISTORY OF LOCATION

This location has operated with an On-Sale Wine with Strong Beer, Class E license from 2003 until 2012, when the building was demolished; prior to that this location held a Food Manufacturer license for Blimpie Sub and Salad.

APPLICANT

The applicant is Haiku Japanese Bistro II, Inc., DBA, Haiku Japanese Bistro. It was incorporated under File Number 647966900027 under Chapter 302A on February 20, 2013. The applicant has provided documentation showing adequate, legal, and traceable funding for this venture. They have the required restriction on the transfer of shares and have the following shareholders and officers:

<u>Name</u>	<u>Date of Birth</u>	<u>Title</u>	<u>Ownership</u>
Xubing Wang	02/04/1979	Owner	100%

MANAGER

Haiku Japanese Bistro will be managed by Jonathan Li. Mr. Li is currently the owner of Osaka Sushi and Hibachi Grill in Golden Valley and Fargo, North Dakota, along with Haiku Japanese Bistro in Mendota Heights. Mr. Li also manages Osaka Sushi and Hibachi in Apple Valley. In speaking with the City of Golden Valley and Mendota Heights, they have no reported issues at either of these locations.

POLICE REVIEW

Police Licensing and this Inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The Second Precinct of the Minneapolis Police Department has discussed security issues with the applicant.

PREMISES

Haiku Japanese Bistro will be a full service, sit-down restaurant. The business will occupy the main street level building at 620 Washington Avenue Southeast. The entire premises occupy approximately 4,000 square feet. The fire code occupancy is 132. The interior seating will consist of 100 seats, with 25 of those seats being counter seating and the remaining bench and table seating. The rest of the establishment consists of a kitchen, coolers, storage areas and rest rooms. The licensed premises space is compact and contiguous. There are no undefined spaces. There is no outdoor area planned at this time.

BUSINESS PLAN/OPERATIONS

Haiku Japanese Bistro is a casual dine-in restaurant. The restaurant will feature fresh, authentic Japanese style food with a large sushi bar where patrons may view their sushi being made. The menu will feature several hibachi style dishes, sushi, teriyaki style entrees and a variety of other items. Haiku will offer sake, wine and beer as a compliment to the dining experience. Proposed business hours will be 11:00am to 1:00am Sunday through Wednesday and 11:00am to 2:00am Thursday through Saturday.

They are required to have a 60/40 food to alcohol ratio. All employees will complete alcohol compliance training provided by Enhanced Alcohol Risk Management (e ARM) on an annual basis. Haiku's alcoholic beverage policy is to have each employee verify the days' date to the age of the guest providing physical valid identification for anyone who appears under the age of 40. They are also looking into ID scanners for each point of sale machine. They will have a discipline policy for alcohol servers which will include alcohol server retraining and the loss of any shifts for two weeks for first time violations, and termination for subsequent violations, and willful violations. Self-audits will be conducted at random. Haiku anticipates their security needs to be nominal but will be hiring security on Thursday through Saturday evenings when they are open until 2:00am. Management and staff are trained in the basic principles of establishment security and have expected protocols for handling security related issues. All staff has been trained not to admit or serve intoxicated persons. Staff is responsible for ensuring guests and other people do not loiter on the public sidewalk outside the premises. They have installed a security camera by their cash register and surveillance will be provided upon request to local agencies. The Class "E" Liquor License does not permit live entertainment and they will not have speakers outside. Their entertainment will consist of background music and the possibility of doing karaoke, allowed under the Class E license, on Thursday nights only. All background music will be turned off by 11:00pm. They will not offer charitable gambling, mechanical amusement devices, and they will not host any sporting events or teams as part of their business plan.

PUBLIC HEARING SUMMARY

45 notices were mailed to property owners and residents within 600 feet of the main door of the establishment on September 11, 2013. The public hearing is scheduled at the Regulatory, Energy & Environment Committee on September 23, 2013.

RECOMMENDATION

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Liquor with Sunday Sales, Class E license, and 2 AM license.

LICENSE CONDITIONS

None